

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:321
ANSWERED ON:22.12.2008
REVIVAL PACKAGE FOR HANDLOOM SECTOR
Verma Shri Ravi Prakash

Will the Minister of TEXTILES be pleased to state:

- (a) whether a large number of handloom units are facing threat of closure;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government proposes to provide a package for reviving the handloom sector in the country; and
- (d) if so, the details thereof along with the funds earmarked for the purpose?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.321 FOR 22.12.2008

(a) & (b): The Government of Andhra Pradesh, Tamil Nadu, Karnataka, Tripura and Chhattisgarh have reported that handloom units in their States are not facing any threat of closure whereas the State Governments of Assam, Uttar Pradesh, Rajasthan, Maharashtra and Orissa have informed that some of the handloom units are facing threat of closure on account of competition from the mechanized sector, non-availability of credit, non-adaptability with the market requirements etc.

(c) & (d): The Government of India has formulated a Financial Package of Rs.2600 crores for waiver of the overdues of loans of the handloom cooperatives of the country and also, to provide loans at concessional rate of 7% per annum. The Package has been sent to the Ministry of Finance. Furthermore, the Government of India is implementing the following schemes for development and welfare of the handloom weavers:

- (i) Integrated Handlooms Development Scheme
- (ii) Mill Gate Price Scheme
- iii) Comprehensive Handloom Weavers Welfare Scheme
- (iv) Marketing & Export Promotion Scheme

- (v) Diversified Handloom Development Scheme

- (vi) 10% Rebate Scheme and welfare of the handloom weavers